

# NOAA PROTOCOLS TO LINE AND STAFF OFFICES FOR GAO REVIEWS AND OIG AUDITS AND EVALUATIONS



The NOAA Audit Staff is the focal point for Government Accountability Office (GAO) and Office of Inspector General (OIG) activities and serves as the central NOAA source of information and guidance. Housed in the Audit and Information Management Office, Office of the Chief Administrative Officer, the NOAA Audit Staff provides direction and guidance to NOAA line and staff offices on the development of responses to OIG and GAO reports ensuring that responses are comprehensive, accurate, timely, and reflect the NOAA perspective. Also, the staff assists in negotiating and resolving disputed findings and recommendations. The following protocols are provided to assist line and staff offices with GAO reviews and OIG audits and evaluations.

## **Notification Letters or Memos for New Reviews and Audits**

Notification letters or memos from GAO or OIG state objectives or key questions for a new review or audit. NOAA Audit Staff will contact audit coordinators from relevant line and staff offices to inform them of the new review or audit and schedule an entrance conference. If a line or staff office directly receives a notification letter or memo from GAO or OIG, please forward it to NOAA Audit Staff to initiate contact with auditors.

## **Entrance and Exit Conferences**

NOAA Audit Staff will contact audit coordinators from relevant offices within 1-2 days of receiving the notification letter or memo so offices can identify subject matter experts who should participate in the entrance conference. At the conclusion of GAO and OIG fieldwork, NOAA Audit Staff will contact the same offices to schedule exit conferences to present findings and recommendations as well as the timeline for issuance of the draft and final reports. Entrance and exit conferences are typically held within 7-14 days of receiving notification from GAO or OIG.

NOAA Audit Staff will request that GAO and OIG provide discussion topics, questions, and other relevant documents (such as data requests) prior to entrance and exit conferences. If an office wishes to provide documentation or give a presentation to GAO or OIG at the entrance or exit conference, please ensure that necessary clearances are obtained and notify NOAA Audit Staff in advance of the meeting. In the case of presentations, NOAA Audit Staff is often responsible for reserving conference rooms and ensuring that the assigned room has adequate computer or audio equipment.

## **GAO and OIG Fieldwork - Requests for Information**

All requests for information and documents should be cleared using the designated clearance process established within your respective line or staff office. At minimum, ensure that your Chief Financial Officer/Chief Administrative Officer's (CFO/CAO) Office has reviewed the information. Any information that has specific designations such as draft documents, pre-decisional information, or "For Official Use Only" must be appropriately labeled. Once your office obtains the necessary clearances, submit the information to NOAA Audit Staff, which will then transmit the requested information to GAO or OIG.

If your office is experiencing challenges with meeting deadlines for document requests, contact NOAA Audit Staff to discuss options. For example, NOAA Audit Staff can contact GAO or OIG to obtain extensions.

## **Statement of Facts (GAO Only)**

After fieldwork is completed, GAO will request NOAA to review information in their Statement of Facts to determine if it is factually correct and accurate. This is done prior to issuance of the draft report. It provides NOAA an opportunity to identify and discuss errors and concerns, and provide additional background, context, and explanations. The corrected information NOAA provides will be incorporated into the GAO draft report so it is critical that the Statement of Facts be carefully reviewed.

**Typically, your office will have one week to prepare a response.** This includes time to work with and incorporate comments from other line or staff offices and obtain clearances within your respective office. At minimum, your Director, Assistant Administrator (AA), or Deputy Assistant Administrator (DAA) should

approve the response. It is recommended that your CFO/CAO's Office and Congressional Affairs Staff from your office be part of the clearance process. When NOAA Audit Staff emails the Statement of Facts to your office, it should be reviewed immediately, and your office should start preparing a response. After your office has completed its response, please email it to [NOAA.Audits@noaa.gov](mailto:NOAA.Audits@noaa.gov), and then NOAA Audit Staff will officially transmit the response to GAO.

Note: Department of Commerce's (DOC) OIG does not prepare a Statement of Facts after its fieldwork is completed. During the exit conference, OIG will discuss their findings and recommendations to NOAA.

### **Draft Reports**

Responses to GAO draft reports are signed by the DOC Deputy Secretary and responses to OIG draft reports are signed by NOAA's Deputy Under Secretary for Operations (DUSO). This occurs when a draft report contains recommendations directed to NOAA. In this situation, there are many steps and clearances that need to be obtained after a line or staff office completes its response. Note: If the report does not have any recommendations (directed to NOAA), NOAA Audit Staff can submit technical or factual comments directly to GAO or OIG.

### **DOC and/or NOAA typically have a total of 21 business days to respond to GAO and OIG draft reports.**

Within this time frame, senior NOAA and DOC officials need time to review and clear responses. Therefore, when your office receives a draft report, review it immediately and begin preparing a response. NOAA Audit Staff has response templates available for GAO and OIG draft reports, which are provided to audit coordinators with the draft report.

Use the designated clearance process in your office for clearing responses to draft reports. Ensure at a minimum that your Director, AA, or DAA (or an employee delegated by your Director or AA) has approved the response. It is also recommended that your CFO/CAO's office and Congressional Affairs Staff in your office be part of the clearance process. NOAA Audit Staff will require a memo signed by your Director or AA (or his/her designee) stating that he/she approved the response. Please address the memo to Mack Cato, NOAA, Director, Audit and Information Management Office, when transmitting your office's response.

If your office suggests that GAO or OIG make changes to their draft report, it must provide specific and convincing information for why changes should be made. If your office disagrees with a recommendation, it must have documented evidence as support to provide to GAO or OIG.

After NOAA Audit Staff receives your response, we are required to obtain clearances from various NOAA offices. This is the LAST opportunity to correct any errors and to include information for GAO's or OIG's consideration before the final report is published.

If NOAA does not meet GAO's or OIG's deadline, there is a possibility that our comments may not be printed in the final reports. When this occurs, it may appear that NOAA was not cooperative and/or negligent in defending its programs. In effect, funding could be reduced or withdrawn by Congress. Therefore, timeliness is very crucial in providing a response to GAO or OIG.

### **Sensitivity Reviews**

When requested by GAO or OIG, NOAA must perform a sensitivity review of a draft report to determine if any information in the report pertaining to NOAA is sensitive, and therefore, should not be released to the public. This includes, but is not limited to the following:

- For Official Use Only (FOUO) information,
- Detailed information about NOAA draft documents,
- Pre-decisional budgetary information,
- Procurement sensitive data, and/or
- Information that could expose vulnerabilities and/or reveal the security posture which could adversely impact a program or operations.

Your office must provide evidence that the sensitivity review was conducted, which may be an email showing the official's name, office, and date the sensitivity review was completed. Indicate which parts of the report

may contain sensitive information. Note: The sensitivity review must be completed within the same time deadline for providing comments on the draft report.

## **Final Reports**

Responses to GAO final reports are signed by the DOC Deputy Secretary and responses to OIG final reports are signed by NOAA's DUSO. This occurs when the final report contains recommendations, and an audit action plan (for OIG) or Statement of Actions Taken (for GAO) must be developed to address the recommendations. Responses to GAO final reports are sent to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform as well as a courtesy copy to GAO. Responses to OIG final reports are sent directly to OIG. Note: If the report does not have any recommendations directed to NOAA, NOAA Audit Staff will distribute it to audit coordinators and inform them to close this review or audit from their files since no further action is required.

## **DOC and/or NOAA typically have a total of 45 business days to respond to GAO and OIG final reports.**

Within this time frame, senior NOAA and DOC officials need time to review and clear responses. Therefore, when your office receives a final report, review it immediately and begin preparing a response. NOAA Audit Staff has response templates available for GAO and OIG final reports, which are provided to auditor coordinators with the final report.

Use the designated clearance process in your office for clearing responses to final reports. Ensure at a minimum that your Director, AA, or DAA (or an employee delegated by your Director or AA) has approved the response. It is also recommended that your CFO/CAO's office and Congressional Affairs Staff in your office be part of the clearance process. NOAA Audit Staff will require a memo signed by your Director or AA (or his/her designee) stating that he/she approved the response. Please address the memo to Mack Cato, NOAA, Director, Audit and Information Management Office, when transmitting your office's response. Upon receipt of your response, NOAA Audit Staff must obtain clearances from various NOAA staff offices.

When preparing the response to a final report, build on the response that your office developed for the draft report. For each recommendation, include specific details explaining what actions will be taken and target implementation dates for completing actions. It is important that your office establish target implementation dates for corrective actions and do your best to meet these deadlines because GAO and DOC Headquarters (on behalf of OIG) will continuously track NOAA's progress.

## **Open Recommendations**

After the response to the final report is submitted, the relevant line or staff office must monitor the progress of open recommendations. Please do not wait until the target implementation date to implement the recommendation. In order to request closure, NOAA must clearly articulate in writing why the recommendation should be closed and provide adequate supporting documentation.

If the target implementation date for a recommendation is approaching, and your office may need more time, NOAA Audit Staff will need the following information before the date can be extended:

- Revised target implementation date,
- Description of why more time is needed,
- Actions completed thus far and what remaining action(s) needs to be done, and
- Factors that have delayed implementation of the recommendation.

**Note: Effective October 1, 2014, DOC Headquarters tracks and monitors NOAA's progress with implementing GAO and OIG recommendations on a quarterly basis including those recommendations with target dates not met. Please ensure that your office completes its planned actions by the initial target implementation date.**

## **Points of Contact**

Please contact NOAA Audit Staff during any phase of an audit or review, including if your office needs assistance with preparing responses to the Statement of Facts, draft reports, and final reports.

If your office has any questions, please send an email to [NOAA.Audits@noaa.gov](mailto:NOAA.Audits@noaa.gov) or contact one of the following members from the NOAA Audit Staff:

- Rhonda Lawrence, NOAA Audit Program Manager, 301-628-0948
- Brian Doss, NOAA GAO/OIG Audit Liaison, 301-628-0945
- Lisa Lim, NOAA GAO/OIG Audit Liaison, 301- 628-0967

The Director, Audit and Information Management Office, NOAA Office of the Chief Administrative Officer, is Mack Cato, who can be reached at [Mack.A.Cato@noaa.gov](mailto:Mack.A.Cato@noaa.gov) or 301-628-0949.